

House File 520

H-1420

1 Amend House File 520 as follows:

2 1. By striking everything after the enacting clause and  
3 inserting:

4 <Section 1. Section 124.204, subsection 4, paragraphs m and  
5 u, Code 2017, are amended by striking the paragraphs.

6 Sec. 2. Section 124.204, subsection 7, Code 2017, is amended  
7 by striking the subsection.

8 Sec. 3. Section 124.206, subsection 7, Code 2017, is amended  
9 to read as follows:

10 7. *Hallucinogenic substances.* Unless specifically excepted  
11 or unless listed in another schedule, any material, compound,  
12 mixture, or preparation which contains any quantity of the  
13 following substances, or, for purposes of paragraphs "a" and  
14 "b", which contains any of its salts, isomers, or salts of  
15 isomers whenever the existence of such salts, isomers, or salts  
16 of isomers is possible within the specific chemical designation  
17 (for purposes of this paragraph only, the term "isomer"  
18 includes the optical, positional, and geometric isomers):

19 a. ~~Marijuana when used for medicinal purposes pursuant to~~  
20 ~~rules of the board.~~

21 b. Tetrahydrocannabinols, meaning tetrahydrocannabinols  
22 naturally contained in a plant of the genus cannabis (cannabis  
23 plant) as well as synthetic equivalents of the substances  
24 contained in the cannabis plant, or in the resinous extractives  
25 of such plant, and synthetic substances, derivatives, and their  
26 isomers with similar chemical structure and pharmacological  
27 activity to those substances contained in the plant, such as  
28 the following:

29 (1) 1 cis or trans tetrahydrocannabinol, and their optical  
30 isomers.

31 (2) 6 cis or trans tetrahydrocannabinol, and their optical  
32 isomers.

33 (3) 3,4 cis or trans tetrahydrocannabinol, and their  
34 optical isomers. (Since nomenclature of these substances  
35 is not internationally standardized, compounds of these

1 structures, regardless of numerical designation of atomic  
2 positions covered.)

3 ~~b.~~ c. Nabilone [another name for nabilone: (+-) -  
4 trans-3-(1,1-dimethylheptyl)-6,6a,7,8,10,10a-hexahydro-1-  
5 hydroxy-6,6-dimethyl-9H-dibenzo[b,d]pyran-9-one].

6 Sec. 4. Section 124.401, subsection 5, unnumbered paragraph  
7 3, Code 2017, is amended to read as follows:

8 A person may knowingly or intentionally recommend, possess,  
9 use, dispense, deliver, transport, or administer ~~cannabidiol~~  
10 medical cannabis if the recommendation, possession, use,  
11 dispensing, delivery, transporting, or administering is in  
12 accordance with the provisions of ~~chapter 124D~~ 124E. For  
13 purposes of this paragraph, ~~"cannabidiol"~~ "medical cannabis"  
14 means the same as defined in ~~section 124D.2~~ 124E.2.

15 Sec. 5. NEW SECTION. 124E.1 Short title.

16 This chapter shall be known and may be cited as the  
17 *"Compassionate Use of Medical Cannabis Act"*.

18 Sec. 6. NEW SECTION. 124E.2 Definitions.

19 As used in this chapter:

20 1. *"Debilitating medical condition"* means any of the  
21 following:

22 *a.* Cancer, if the underlying condition or treatment produces  
23 one or more of the following:

24 (1) Intractable pain.

25 (2) Nausea or severe vomiting.

26 (3) Cachexia or severe wasting.

27 *b.* Multiple sclerosis.

28 *c.* Epilepsy or seizure disorders.

29 *d.* AIDS or HIV as defined in section 141A.1.

30 *e.* Glaucoma.

31 *f.* Hepatitis C.

32 *g.* Crohn's disease or ulcerative colitis.

33 *h.* Amyotrophic lateral sclerosis.

34 *i.* Ehlers-Danlos syndrome.

35 *j.* Post-traumatic stress disorder.

- 1     *k.* Tourette's syndrome.
- 2     1. Any terminal illness, with a probable life expectancy of  
3 under one year, if the illness or its treatment produces one or  
4 more of the following:
- 5       (1) Intractable pain.
- 6       (2) Nausea or severe vomiting.
- 7       (3) Cachexia or severe wasting.
- 8     *m.* Intractable pain.
- 9     *n.* Parkinson's disease.
- 10    *o.* Muscular dystrophy.
- 11    *p.* Huntington's disease.
- 12    *q.* Alzheimer's disease.
- 13    *r.* Complex regional pain syndrome, type I and II.
- 14    *s.* Rheumatoid arthritis.
- 15    *t.* Polyarteritis nodosa.
- 16    *u.* Any other chronic or debilitating disease or medical  
17 condition or its medical treatment approved by the department  
18 pursuant to rule.
- 19    2. "*Department*" means the department of public health.
- 20    3. "*Disqualifying felony offense*" means a violation under  
21 federal or state law of a felony offense, which has as an  
22 element the possession, use, or distribution of a controlled  
23 substance, as defined in 21 U.S.C. §802(6).
- 24    4. "*Enclosed, locked facility*" means a closet, room,  
25 greenhouse, or other enclosed area equipped with locks or  
26 other security devices that permit access only by authorized  
27 personnel.
- 28    5. "*Health care practitioner*" means an individual licensed  
29 under chapter 148 to practice medicine and surgery or  
30 osteopathic medicine and surgery or an individual licensed to  
31 practice medicine in any other state who provides specialty  
32 care for an Iowa resident for one or more of the debilitating  
33 medical conditions provided in this chapter.
- 34    6. "*Intractable pain*" means a pain in which the cause of the  
35 pain cannot be removed or otherwise treated with the consent

1 of the patient and which, in the generally accepted course of  
2 medical practice, no relief or cure of the cause of the pain  
3 is possible, or none has been found after reasonable efforts.  
4 Reasonable efforts for relieving or curing the cause of the  
5 pain may be determined on the basis of but are not limited to  
6 any of the following:

7     *a.* When treating a nonterminally ill patient for intractable  
8 pain, evaluation by the attending physician and one or more  
9 physicians specializing in pain medicine or the treatment of  
10 the area, system, or organ of the body perceived as the source  
11 of the pain.

12     *b.* When treating a terminally ill patient, evaluation by  
13 the attending physician who does so in accordance with the  
14 level of care, skill, and treatment that would be recognized  
15 by a reasonably prudent physician under similar conditions and  
16 circumstances.

17     7. "*Medical cannabis*" means any species of the genus  
18 cannabis plant, or any mixture or preparation of them,  
19 including whole plant extracts and resins.

20     8. "*Medical cannabis dispensary*" means an entity licensed  
21 under section 124E.8 that acquires medical cannabis from a  
22 medical cannabis manufacturer in this state for the purpose  
23 of dispensing medical cannabis in this state pursuant to this  
24 chapter.

25     9. "*Medical cannabis manufacturer*" means an entity licensed  
26 under section 124E.6 to manufacture and to possess, cultivate,  
27 transport, or supply medical cannabis pursuant to the  
28 provisions of this chapter.

29     10. "*Primary caregiver*" means a person, at least eighteen  
30 years of age, who has been designated by a patient's health  
31 care practitioner or a person having custody of a patient, as  
32 a necessary caretaker taking responsibility for managing the  
33 well-being of the patient with respect to the use of medical  
34 cannabis pursuant to the provisions of this chapter.

35     11. "*Written certification*" means a document signed by a

1 health care practitioner, with whom the patient has established  
2 a patient-provider relationship, which states that the patient  
3 has a debilitating medical condition and identifies that  
4 condition and provides any other relevant information.

5     **Sec. 7. NEW SECTION. 124E.3 Health care practitioner**  
6 **certification — duties.**

7     1. Prior to a patient's submission of an application for a  
8 medical cannabis registration card pursuant to section 124E.4,  
9 a health care practitioner shall do all of the following:

10     *a.* Determine, in the health care practitioner's medical  
11 judgment, whether the patient whom the health care practitioner  
12 has examined and treated suffers from a debilitating medical  
13 condition that qualifies for the use of medical cannabis under  
14 this chapter, and if so determined, provide the patient with a  
15 written certification of that diagnosis.

16     *b.* Provide explanatory information as provided by the  
17 department to the patient about the therapeutic use of medical  
18 cannabis.

19     *c.* Determine, on an annual basis, if the patient continues  
20 to suffer from a debilitating medical condition and, if so,  
21 issue the patient a new certification of that diagnosis. This  
22 paragraph shall not apply if the patient is suffering from an  
23 incurable debilitating medical condition.

24     *d.* Otherwise comply with all requirements established by the  
25 department pursuant to rule.

26     2. A health care practitioner may provide, but has no duty  
27 to provide, a written certification pursuant to this section.

28     **Sec. 8. NEW SECTION. 124E.4 Medical cannabis registration**  
29 **card.**

30     1. *Issuance to patient.* The department may approve the  
31 issuance of a medical cannabis registration card by the  
32 department of transportation to a patient who:

33     *a.* Is at least eighteen years of age.

34     *b.* Is a permanent resident of this state.

35     *c.* Submits a written certification to the department signed

1 by the patient's health care practitioner that the patient is  
2 suffering from a debilitating medical condition.

3 *d.* Submits an application to the department, on a form  
4 created by the department, in consultation with the department  
5 of transportation, that contains all of the following:

6 (1) The patient's full name, Iowa residence address, date  
7 of birth, and telephone number.

8 (2) A copy of the patient's valid photograph  
9 identification.

10 (3) Full name, address, and telephone number of the  
11 patient's health care practitioner.

12 (4) Full name, residence address, date of birth, and  
13 telephone number of each primary caregiver of the patient, if  
14 any.

15 (5) Any other information required by rule.

16 *e.* Submits a medical cannabis registration card fee of one  
17 hundred dollars to the department. If the patient attests to  
18 receiving social security disability benefits, supplemental  
19 security insurance payments, or being enrolled in the medical  
20 assistance program, the fee shall be twenty-five dollars.

21 2. *Patient card contents.* A medical cannabis registration  
22 card issued to a patient by the department of transportation  
23 pursuant to subsection 1 shall contain, at a minimum, all of  
24 the following:

25 *a.* The patient's full name, Iowa residence address, and date  
26 of birth.

27 *b.* The patient's photograph.

28 *c.* The date of issuance and expiration of the registration  
29 card.

30 *d.* Any other information required by rule.

31 3. *Issuance to primary caregiver.* For a patient in a  
32 primary caregiver's care, the department may approve the  
33 issuance of a medical cannabis registration card by the  
34 department of transportation to the primary caregiver who:

35 *a.* Submits a written certification to the department signed

1 by the patient's health care practitioner that the patient in  
2 the primary caregiver's care is suffering from a debilitating  
3 medical condition.

4 *b.* Submits an application to the department, on a form  
5 created by the department, in consultation with the department  
6 of transportation, that contains all of the following:

7 (1) The primary caregiver's full name, residence address,  
8 date of birth, and telephone number.

9 (2) The patient's full name.

10 (3) A copy of the primary caregiver's valid photograph  
11 identification.

12 (4) Full name, address, and telephone number of the  
13 patient's health care practitioner.

14 (5) Any other information required by rule.

15 *c.* Submits a medical cannabis registration card fee of  
16 twenty-five dollars to the department.

17 4. *Primary caregiver card contents.* A medical cannabis  
18 registration card issued by the department of transportation to  
19 a primary caregiver pursuant to subsection 3 shall contain, at  
20 a minimum, all of the following:

21 *a.* The primary caregiver's full name, residence address, and  
22 date of birth.

23 *b.* The primary caregiver's photograph.

24 *c.* The date of issuance and expiration of the registration  
25 card.

26 *d.* The registration card number of each patient in the  
27 primary caregiver's care. If the patient in the primary  
28 caregiver's care is under the age of eighteen, the full name of  
29 the patient's parent or legal guardian.

30 *e.* Any other information required by rule.

31 5. *Expiration date of card.* A medical cannabis registration  
32 card issued pursuant to this section shall expire one year  
33 after the date of issuance and may be renewed.

34 6. *Card issuance — department of transportation.*

35 *a.* The department may enter into a chapter 28E agreement

1 with the department of transportation to facilitate the  
2 issuance of medical cannabis registration cards pursuant to  
3 subsections 1 and 3.

4 *b.* The department of transportation may issue renewal  
5 medical cannabis registration cards through an online or  
6 in-person process.

7 **Sec. 9. NEW SECTION. 124E.5 Medical advisory board —**  
8 **duties.**

9 1. No later than August 15, 2017, the director of public  
10 health shall establish a medical advisory board consisting of  
11 nine practitioners representing the fields of neurology, pain  
12 management, gastroenterology, oncology, psychiatry, pediatrics,  
13 infectious disease, family medicine, and pharmacy, and three  
14 patients or primary caregivers with valid medical cannabis  
15 registration cards. The practitioners shall be nationally  
16 board-certified in their area of specialty and knowledgeable  
17 about the use of medical cannabis.

18 2. A quorum of the advisory board shall consist of seven  
19 members.

20 3. The duties of the advisory board shall include but not be  
21 limited to the following:

22 *a.* Reviewing and recommending to the department for  
23 approval additional chronic or debilitating diseases or  
24 medical conditions or their treatments as debilitating medical  
25 conditions that qualify for the use of medical cannabis under  
26 this chapter.

27 *b.* Accepting and reviewing petitions to add chronic or  
28 debilitating diseases or medical conditions or their medical  
29 treatments to the list of debilitating medical conditions that  
30 qualify for the use of medical cannabis under this chapter.

31 *c.* Working with the department regarding the requirements  
32 for the licensure of medical cannabis manufacturers and medical  
33 cannabis dispensaries, including licensure procedures.

34 *d.* Advising the department regarding the location of  
35 medical cannabis dispensaries throughout the state, the form

1 and quantity of allowable medical cannabis to be dispensed  
2 to a patient or primary caregiver, and the general oversight  
3 of medical cannabis manufacturers and medical cannabis  
4 dispensaries in this state.

5 *e.* Convening at least twice per year to conduct public  
6 hearings and to review and recommend for approval petitions,  
7 which shall be maintained as confidential personal health  
8 information, to add chronic or debilitating diseases or  
9 medical conditions or their medical treatments to the list of  
10 debilitating medical conditions that qualify for the use of  
11 medical cannabis under this chapter.

12 *f.* Recommending improvements relating to the effectiveness  
13 of the provisions of this chapter.

14 *g.* In making recommendations pursuant to this section,  
15 consideration of the economic and financial impacts on patients  
16 and the medical cannabis industry, and making recommendations  
17 that minimize the extent of such impacts to the greatest extent  
18 practicable.

19 **Sec. 10. NEW SECTION. 124E.6 Medical cannabis manufacturer**  
20 **licensure.**

21 1. *a.* The department shall license up to four medical  
22 cannabis manufacturers to manufacture medical cannabis within  
23 this state consistent with the provisions of this chapter by  
24 December 1, 2017. The department shall license new medical  
25 cannabis manufacturers or relicense the existing medical  
26 cannabis manufacturers by December 1 of each year.

27 *b.* Information submitted during the application process  
28 shall be confidential until the medical cannabis manufacturer  
29 is licensed by the department unless otherwise protected from  
30 disclosure under state or federal law.

31 2. As a condition for licensure, a medical cannabis  
32 manufacturer must agree to begin supplying medical cannabis to  
33 medical cannabis dispensaries in this state by July 2, 2018.

34 3. The department shall consider the following factors in  
35 determining whether to license a medical cannabis manufacturer:

1     *a.* The technical expertise of the medical cannabis  
2 manufacturer regarding medical cannabis.

3     *b.* The qualifications of the medical cannabis manufacturer's  
4 ownership and management team.

5     *c.* The long-term financial stability of the medical cannabis  
6 manufacturer.

7     *d.* The ability to provide appropriate security measures on  
8 the premises of the medical cannabis manufacturer.

9     *e.* Whether the medical cannabis manufacturer has  
10 demonstrated an ability to meet certain medical cannabis  
11 production needs for medical use regarding the range of  
12 recommended dosages for each debilitating medical condition,  
13 the range of chemical compositions of any plant of the genus  
14 cannabis that will likely be medically beneficial for each  
15 of the debilitating medical conditions, and the form of the  
16 medical cannabis in the manner determined by the department  
17 pursuant to rule.

18     *f.* The medical cannabis manufacturer's projection of and  
19 ongoing assessment of fees on patients with debilitating  
20 medical conditions.

21     *g.* The medical cannabis manufacturer's experience in medical  
22 cannabis production, plant extraction, and pharmaceutical  
23 formulations.

24     4. The department shall require each medical cannabis  
25 manufacturer to contract with a laboratory approved by the  
26 department to test the medical cannabis produced by the  
27 manufacturer. The department shall require that the laboratory  
28 report testing results to the manufacturer in a manner  
29 determined by the department pursuant to rule.

30     5. Each entity submitting an application for licensure  
31 as a medical cannabis manufacturer shall pay a nonrefundable  
32 application fee of fifteen thousand dollars to the department.

33     Sec. 11. NEW SECTION. **124E.7 Medical cannabis**  
34 **manufacturers.**

35     1. A medical cannabis manufacturer shall contract with a

1 laboratory approved by the department for purposes of testing  
2 the medical cannabis manufactured by the medical cannabis  
3 manufacturer as to content, contamination, and consistency.  
4 The cost of all laboratory testing shall be paid by the medical  
5 cannabis manufacturer.

6 2. The operating documents of a medical cannabis  
7 manufacturer shall include all of the following:

8 a. Procedures for the oversight of the medical cannabis  
9 manufacturer and procedures to ensure accurate recordkeeping.

10 b. Procedures for the implementation of appropriate security  
11 measures to deter and prevent the theft of medical cannabis and  
12 unauthorized entrance into areas containing medical cannabis.

13 3. A medical cannabis manufacturer shall implement security  
14 requirements, including requirements for protection of each  
15 location by a fully operational security alarm system, facility  
16 access controls, perimeter intrusion detection systems, and a  
17 personnel identification system.

18 4. A medical cannabis manufacturer shall not share  
19 office space with, refer patients to, or have any financial  
20 relationship with a health care practitioner.

21 5. A medical cannabis manufacturer shall not permit any  
22 person to consume medical cannabis on the property of the  
23 medical cannabis manufacturer.

24 6. A medical cannabis manufacturer is subject to reasonable  
25 inspection by the department.

26 7. A medical cannabis manufacturer shall not employ a  
27 person who is under eighteen years of age or who has been  
28 convicted of a disqualifying felony offense. An employee  
29 of a medical cannabis manufacturer shall be subject to a  
30 background investigation conducted by the division of criminal  
31 investigation of the department of public safety and a national  
32 criminal history background check.

33 8. A medical cannabis manufacturer shall not operate in any  
34 location, whether for manufacturing, cultivating, harvesting,  
35 packaging, or processing, within one thousand feet of a public

1 or private school existing before the date of the medical  
2 cannabis manufacturer's licensure by the department.

3 9. A medical cannabis manufacturer shall comply with  
4 reasonable restrictions set by the department relating to  
5 signage, marketing, display, and advertising of medical  
6 cannabis.

7 10. *a.* A medical cannabis manufacturer shall provide a  
8 reliable and ongoing supply of medical cannabis to medical  
9 cannabis dispensaries pursuant to this chapter.

10 *b.* All manufacturing, cultivating, harvesting, packaging,  
11 and processing of medical cannabis shall take place in an  
12 enclosed, locked facility at a physical address provided to the  
13 department during the licensure process.

14 *c.* A medical cannabis manufacturer shall not manufacture  
15 edible medical cannabis products utilizing food coloring.

16 *d.* A medical cannabis manufacturer shall manufacture a  
17 reliable and ongoing supply of medical cannabis to treat every  
18 debilitating medical condition listed in this chapter.

19 11. The department shall establish and collect an annual  
20 fee from a medical cannabis manufacturer not to exceed the cost  
21 of regulating and inspecting the manufacturer in the calendar  
22 year.

23 Sec. 12. NEW SECTION. 124E.8 **Medical cannabis dispensary**  
24 **licensure.**

25 1. *a.* The department shall license by April 2, 2018, twelve  
26 medical cannabis dispensaries to dispense medical cannabis  
27 within this state consistent with the provisions of this  
28 chapter. The department shall license new medical cannabis  
29 dispensaries or relicense the existing medical cannabis  
30 dispensaries by December 1 of each year.

31 *b.* Information submitted during the application process  
32 shall be confidential until the medical cannabis dispensary  
33 is licensed by the department unless otherwise protected from  
34 disclosure under state or federal law.

35 2. As a condition for licensure, a medical cannabis

1 dispensary must agree to begin supplying medical cannabis to  
2 patients by July 16, 2018.

3 3. The department shall consider the following factors in  
4 determining whether to license a medical cannabis dispensary:

5 a. The technical expertise of the medical cannabis  
6 dispensary regarding medical cannabis.

7 b. The qualifications of the medical cannabis dispensary's  
8 owners and management team.

9 c. The long-term financial stability of the medical cannabis  
10 dispensary.

11 d. The ability to provide appropriate security measures on  
12 the premises of the medical cannabis dispensary.

13 e. The medical cannabis dispensary's projection and ongoing  
14 assessment of fees for the purchase of medical cannabis on  
15 patients with debilitating medical conditions.

16 4. Each entity submitting an application for licensure  
17 as a medical cannabis dispensary shall pay a nonrefundable  
18 application fee of fifteen thousand dollars to the department.

19 **Sec. 13. NEW SECTION. 124E.9 Medical cannabis dispensaries.**

20 1. a. Medical cannabis dispensaries shall be located based  
21 on geographical need throughout the state to improve patient  
22 access.

23 b. A medical cannabis dispensary may dispense medical  
24 cannabis pursuant to the provisions of this chapter but shall  
25 not dispense any medical cannabis in a form or quantity other  
26 than the form or quantity allowed by the department pursuant  
27 to rule.

28 2. The operating documents of a medical cannabis dispensary  
29 shall include all of the following:

30 a. Procedures for the oversight of the medical cannabis  
31 dispensary and procedures to ensure accurate recordkeeping.

32 b. Procedures for the implementation of appropriate security  
33 measures to deter and prevent the theft of medical cannabis and  
34 unauthorized entrance into areas containing medical cannabis.

35 3. A medical cannabis dispensary shall implement security

1 requirements, including requirements for protection by a fully  
2 operational security alarm system, facility access controls,  
3 perimeter intrusion detection systems, and a personnel  
4 identification system.

5 4. A medical cannabis dispensary shall not share office  
6 space with, refer patients to, or have any financial  
7 relationship with a health care practitioner.

8 5. A medical cannabis dispensary shall not permit any person  
9 to consume medical cannabis on the property of the medical  
10 cannabis dispensary.

11 6. A medical cannabis dispensary is subject to reasonable  
12 inspection by the department.

13 7. A medical cannabis dispensary shall not employ a  
14 person who is under eighteen years of age or who has been  
15 convicted of a disqualifying felony offense. An employee  
16 of a medical cannabis dispensary shall be subject to a  
17 background investigation conducted by the division of criminal  
18 investigation of the department of public safety and a national  
19 criminal history background check.

20 8. A medical cannabis dispensary shall not operate in any  
21 location within one thousand feet of a public or private school  
22 existing before the date of the medical cannabis dispensary's  
23 licensure by the department.

24 9. A medical cannabis dispensary shall comply with  
25 reasonable restrictions set by the department relating to  
26 signage, marketing, display, and advertising of medical  
27 cannabis.

28 10. Prior to dispensing of any medical cannabis, a medical  
29 cannabis dispensary shall do all of the following:

30 a. Verify that the medical cannabis dispensary has received  
31 a valid medical cannabis registration card from a patient or a  
32 patient's primary caregiver, if applicable.

33 b. Assign a tracking number to any medical cannabis  
34 dispensed from the medical cannabis dispensary.

35 c. (1) Properly package medical cannabis in compliance with

1 federal law regarding child resistant packaging and exemptions  
2 for packaging for elderly patients, and label medical cannabis  
3 with a list of all active ingredients and individually  
4 identifying information, including all of the following:

5 (a) The name and date of birth of the patient and the  
6 patient's primary caregiver, if appropriate.

7 (b) The medical cannabis registration card numbers of the  
8 patient and the patient's primary caregiver, if applicable.

9 (c) The chemical composition of the medical cannabis.

10 (2) Proper packaging of medical cannabis shall include but  
11 not be limited to all of the following:

12 (a) Warning labels regarding the use of medical cannabis by  
13 a woman during pregnancy and while breastfeeding.

14 (b) Clearly labeled packaging indicating that an edible  
15 medical cannabis product contains medical cannabis and which  
16 packaging shall not imitate candy products or in any way make  
17 the product marketable to children.

18 Sec. 14. NEW SECTION. 124E.10 Fees.

19 Medical cannabis registration card fees and medical cannabis  
20 manufacturer and medical cannabis dispensary application  
21 and annual fees collected by the department pursuant to  
22 this chapter shall be retained by the department, shall be  
23 considered repayment receipts as defined in section 8.2, and  
24 shall be used for the purpose of regulating medical cannabis  
25 manufacturers and medical cannabis dispensaries and for other  
26 expenses necessary for the administration of this chapter.

27 Sec. 15. NEW SECTION. 124E.11 Department duties — rules.

28 1. a. The department shall maintain a confidential file of  
29 the names of each patient to or for whom the department issues  
30 a medical cannabis registration card, the name of each primary  
31 caregiver to whom the department issues a medical cannabis  
32 registration card under section 124E.4, and the names of each  
33 health care practitioner who provides a written certification  
34 for medical cannabis pursuant to this chapter.

35 b. Individual names contained in the file shall be

1 confidential and shall not be subject to disclosure, except as  
2 provided in subparagraph (1).

3 (1) Information in the confidential file maintained  
4 pursuant to paragraph "a" may be released on an individual basis  
5 to the following persons under the following circumstances:

6 (a) To authorized employees or agents of the department and  
7 the department of transportation as necessary to perform the  
8 duties of the department and the department of transportation  
9 pursuant to this chapter.

10 (b) To authorized employees of state or local law  
11 enforcement agencies, but only for the purpose of verifying  
12 that a person is lawfully in possession of a medical cannabis  
13 registration card issued pursuant to this chapter.

14 (c) To authorized employees of a medical cannabis  
15 dispensary, but only for the purpose of verifying that a person  
16 is lawfully in possession of a medical cannabis registration  
17 card issued pursuant to this chapter.

18 (d) To any other authorized persons recognized by the  
19 department by rule, but only for the purpose of verifying  
20 that a person is lawfully in possession of a medical cannabis  
21 registration card issued pursuant to this chapter.

22 (2) Release of information pursuant to subparagraph  
23 (1) shall be consistent with the federal Health Insurance  
24 Portability and Accountability Act of 1996, Pub. L. No.  
25 104-191.

26 2. The department shall adopt rules pursuant to chapter  
27 17A to administer this chapter which shall include but not be  
28 limited to rules to do all of the following:

29 a. Govern the manner in which the department shall consider  
30 applications for new and renewal medical cannabis registration  
31 cards.

32 b. Identify criteria and set forth procedures for  
33 including additional chronic or debilitating diseases or  
34 medical conditions or their medical treatments on the list of  
35 debilitating medical conditions that qualify for the use of

1 medical cannabis. Procedures shall include a petition process  
2 and shall allow for public comment and public hearings before  
3 the medical advisory board.

4 *c.* Set forth additional chronic or debilitating diseases  
5 or medical conditions or associated medical treatments for  
6 inclusion on the list of debilitating medical conditions that  
7 qualify for the use of medical cannabis as recommended by the  
8 medical advisory board.

9 *d.* Establish, in consultation with medical cannabis  
10 manufacturers and medical cannabis dispensaries, the form and  
11 quantity of medical cannabis allowed to be dispensed to a  
12 patient or primary caregiver pursuant to this chapter. The  
13 form and quantity of medical cannabis shall be appropriate to  
14 serve the medical needs of patients with debilitating medical  
15 conditions.

16 *e.* Establish, in conjunction with the medical advisory  
17 board, requirements for the licensure of medical cannabis  
18 manufacturers and medical cannabis dispensaries and set forth  
19 procedures for medical cannabis manufacturers and medical  
20 cannabis dispensaries to obtain licenses.

21 *f.* Develop a dispensing system for medical cannabis within  
22 this state that provides for all of the following:

23 (1) Medical cannabis dispensaries within this state housed  
24 on secured grounds and operated by licensed medical cannabis  
25 dispensaries.

26 (2) The dispensing of medical cannabis to patients and  
27 their primary caregivers to occur at locations designated by  
28 the department.

29 *g.* Establish and collect annual fees from medical cannabis  
30 manufacturers and medical cannabis dispensaries to cover  
31 the costs associated with regulating and inspecting medical  
32 cannabis manufacturers and medical cannabis dispensaries.

33 *h.* Specify and implement procedures that address public  
34 safety including security procedures and product quality  
35 including measures to ensure contaminant-free cultivation of

1 medical cannabis, safety, and labeling.

2 *i.* Establish and implement a medical cannabis inventory  
3 and delivery tracking system to track medical cannabis  
4 from production by a medical cannabis manufacturer through  
5 dispensing at a medical cannabis dispensary.

6 Sec. 16. NEW SECTION. 124E.12 **Reciprocity.**

7 A valid medical cannabis registration card, or its  
8 equivalent, issued under the laws of another state that allows  
9 an out-of-state patient to possess or use medical cannabis in  
10 the jurisdiction of issuance shall have the same force and  
11 effect as a valid medical cannabis registration card issued  
12 pursuant to this chapter, except that an out-of-state patient  
13 in this state shall not obtain medical cannabis from a medical  
14 cannabis dispensary in this state and an out-of-state patient  
15 shall not smoke medical cannabis.

16 Sec. 17. NEW SECTION. 124E.13 **Use of medical cannabis —**  
17 **affirmative defenses.**

18 1. A health care practitioner, including any authorized  
19 agent or employee thereof, shall not be subject to  
20 prosecution for the unlawful certification, possession, or  
21 administration of marijuana under the laws of this state for  
22 activities arising directly out of or directly related to the  
23 certification or use of medical cannabis in the treatment of  
24 a patient diagnosed with a debilitating medical condition as  
25 authorized by this chapter.

26 2. A medical cannabis manufacturer, including any  
27 authorized agent or employee thereof, shall not be subject  
28 to prosecution for manufacturing, possessing, cultivating,  
29 harvesting, packaging, processing, transporting, or supplying  
30 medical cannabis pursuant to this chapter.

31 3. A medical cannabis dispensary, including any authorized  
32 agent or employee thereof, shall not be subject to prosecution  
33 for transporting, supplying, or dispensing medical cannabis  
34 pursuant to this chapter.

35 *a.* In a prosecution for the unlawful possession of marijuana

1 under the laws of this state, including but not limited to  
2 chapters 124 and 453B, it is an affirmative and complete  
3 defense to the prosecution that the patient has been diagnosed  
4 with a debilitating medical condition, used or possessed  
5 medical cannabis pursuant to a certification by a health care  
6 practitioner as authorized under this chapter, and, for a  
7 patient eighteen years of age or older, is in possession of a  
8 valid medical cannabis registration card.

9     *b.* In a prosecution for the unlawful possession of marijuana  
10 under the laws of this state, including but not limited to  
11 chapters 124 and 453B, it is an affirmative and complete  
12 defense to the prosecution that the person possessed medical  
13 cannabis because the person is a primary caregiver of a patient  
14 who has been diagnosed with a debilitating medical condition  
15 and is in possession of a valid medical cannabis registration  
16 card, and where the primary caregiver's possession of the  
17 medical cannabis is on behalf of the patient and for the  
18 patient's use only as authorized under this chapter.

19     *c.* If a patient or primary caregiver is charged with the  
20 commission of a crime and is not in possession of the person's  
21 medical cannabis registration card, any charge or charges filed  
22 against the person shall be dismissed by the court if the  
23 person produces to the court prior to or at the person's trial  
24 a medical cannabis registration card issued to that person and  
25 valid at the time the person was charged.

26     4. An agency of this state or a political subdivision  
27 thereof, including any law enforcement agency, shall not remove  
28 or initiate proceedings to remove a patient under the age  
29 of eighteen from the home of a parent based solely upon the  
30 parent's or patient's possession or use of medical cannabis as  
31 authorized under this chapter.

32     Sec. 18. NEW SECTION. **124E.14 Penalties.**

33     1. A person who knowingly or intentionally possesses or  
34 uses medical cannabis in violation of the requirements of this  
35 chapter is subject to the penalties provided under chapters 124

1 and 453B.

2 2. A medical cannabis manufacturer or a medical cannabis  
3 dispensary shall be assessed a civil penalty of up to one  
4 thousand dollars per violation for any violation of this  
5 chapter in addition to any other applicable penalties.

6 Sec. 19. NEW SECTION. 124E.15 Use of medical cannabis —  
7 smoking prohibited.

8 A patient shall not consume medical cannabis possessed  
9 or used as authorized under this chapter by smoking medical  
10 cannabis.

11 Sec. 20. NEW SECTION. 124E.16 Employment.

12 1. An employer in this state may retain, create, reinstate,  
13 or enforce a written zero tolerance policy prohibiting the  
14 possession or use of medical cannabis or any derivative  
15 thereof including cannabidiol by an employee in the employer's  
16 workplace, including but not limited to a policy prohibiting  
17 an employee from having any detectable amount of medical  
18 cannabis or any derivative thereof including cannabidiol in the  
19 employee's body while at work.

20 2. An employer's prohibition of the possession or use  
21 of medical cannabis or any derivative thereof including  
22 cannabidiol under this section shall not be considered to be  
23 an unfair or discriminatory employment practice under section  
24 216.6.

25 Sec. 21. Section 730.5, subsection 11, Code 2017, is amended  
26 by adding the following new paragraph:

27 NEW PARAGRAPH. f. Testing or taking action against an  
28 individual with a confirmed positive test result due to the  
29 individual's use of medical cannabis as authorized under  
30 chapter 124E.

31 Sec. 22. REPEAL. Chapter 124D, Code 2017, is repealed.

32 Sec. 23. EMERGENCY RULES. The department may adopt  
33 emergency rules under section 17A.4, subsection 3, and section  
34 17A.5, subsection 2, paragraph "b", to implement the provisions  
35 of this Act and the rules shall be effective immediately upon

1 filing unless a later date is specified in the rules. Any  
2 rules adopted in accordance with this section shall also be  
3 published as a notice of intended action as provided in section  
4 17A.4.

5     Sec. 24. TRANSITION PROVISIONS. A medical cannabidiol  
6 registration card issued under chapter 124D prior to the  
7 effective date of this Act, remains effective and continues  
8 in effect as issued for the twelve-month period following its  
9 issuance. This Act does not preclude a medical cannabidiol  
10 registration card holder from seeking to renew the registration  
11 card under this Act prior to the expiration of the twelve-month  
12 period.

13     Sec. 25. EFFECTIVE UPON ENACTMENT. This Act, being deemed  
14 of immediate importance, takes effect upon enactment.>

15     2. Title page, by striking lines 1 through 4 and inserting  
16 <An Act concerning the compassionate use of medical cannabis  
17 Act, reclassifying marijuana, including tetrahydrocannabinols,  
18 from a schedule I controlled substance to a schedule II  
19 controlled substance, providing for civil and criminal  
20 penalties and fees, and including effective date provisions.>

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M. SMITH of Marshall